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State of Utah

DEPARTMENT OF NATURAL RESOURCES

Division of Oil, Gas & Mining

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Division Director

Inspection Report

Minerals Regulatory Program

May 22, 2008

Reviewed: LL

Mine Name: La Sal/Snowball
Operator Name: Denison Mines

Permit number: M0370026
Inspection Date: April 30, 2008
Time: 2:45-3:15 PM

Inspector(s): Paul Baker
Other Participants: None
Mine Status: Inactive

Weather: Partly cloudy, windy,
60s

Elements of Inspection	Evaluated	Comment	Enforcement
1. Permits, Revisions, Transfer, Bonds	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Public Safety (shafts, adits, trash, signs, highwalls)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Protection of Drainages / Erosion Control	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Deleterious Material	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Roads (maintenance, surfacing, dust control, safety)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Concurrent Reclamation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Backfilling/Grading (trenches, pits, roads, highwalls, shafts, drill holes)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Soils	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Revegetation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Other	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Purpose of Inspection:
This was a routine inspection.

Inspection Summary:

1. Permits, Revisions, Transfer, Bonds

The Division holds a reclamation surety in the amount of \$252,800.00, and it is due to be adjusted in 2010.

On November 13, 2007, the Division approved a change in the name of the operator from International Uranium to Denison Mines. This was not considered a permit transfer.

10. Other

There had been some grading on top of the waste pile at the Snowball Mine, and some areas had settled. I could see no slumping on the sides of the pile.

Some equipment has been moved from the Snowball Mine, the road to the mine has been graded, and I believe some ore may have been hauled from the La Sal Mine. Other than this, I could see no changes at the sites.

Last September, I inspected all of the vent holes associated with the La Sal/Snowball and Pandora Mines. The following table is taken from a report that was included in a report for the Pandora Mine.

Inspection Date: , 2008; Report Date:
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Permit Number

Associated Mine	Designation	Status	Comments
La Sal/Snowball	2400	Fan	
	1800	Fan	
	1301	Not drilled	
	1280	Fan	
	1050	Fan	
	900	Extant	
	700	Covered with flat grate	
	500	Fan	
	2200	Diffuser and screen	
	2300 #1	Fan	Scheduled for reclamation
	2300 #2	Diffuser	Scheduled for reclamation
	Snowball #5	Fan	Will probably have to be re-drilled
	7 foot uncased	Diffuser	Near Snowball #5
	Snowball #2	Fan	

Also during this inspection, I noticed some Russian knapweed at the Beaver Shaft. The operator said the knapweed has been treated.

There is no sediment control at the base of the waste pile at Snowball.

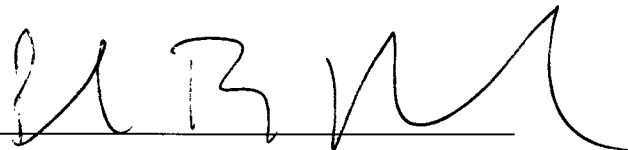
Conclusions and Recommendations:

The operator's representative informed me that the reason for the settling was that some items had been buried in the waste pile. I wasn't worried when I was speaking with the representative, but I have become more concerned because I believe this would require approval from the Division of Solid and Hazardous Waste and because it could potentially de-stabilize the pile. I need to follow through on this issue, and there is a chance that any buried items might need to be removed.

Knapweed at the Beaver Shaft should also be monitored. This is a very difficult weed to control.

I recommend, and have previously recommended, that sediment control be installed at the base of the waste pile at Snowball.

Inspector's Signature



PBB:pb

cc: Harold Roberts, Denison

Rebecca Doolittle, Moab BLM

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Photo 1. This is the top of the waste pile at the Snowball Mine.



Photo 2. There has been some slumping on top of the waste pile.



Photo 3. Some form of sediment control should be installed at the base of the waste pile, at least where it would directly impact the drainage.